

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information

[Add](#) [Remove](#) [View](#)

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change

[Add](#) [Remove](#) [View](#)

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

[Add](#) [Remove](#) [View](#)

Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

[Add](#) [Remove](#) [View](#)

Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

[Add](#) [Remove](#) [View](#)

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

[Add](#) [Remove](#) [View](#)

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

[Add](#) [Remove](#) [View](#)

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of Proposed Rule Change

(a) The Municipal Securities Rulemaking Board (“MSRB”) hereby files with the Securities and Exchange Commission (“Commission” or “SEC”) a proposed rule change consisting of an interpretive notice regarding MSRB Rule G-15(a), on customer confirmations, concerning use of electronic confirmations produced by a clearing agency or qualified vendor to satisfy the requirements of Rule G-15(a) (referred to hereafter as “proposed rule change”). The proposed rule change is as follows:

Use of Electronic Confirmations Produced By a Clearing Agency or Qualified Vendor to Satisfy the Requirements of Rule G-15(a)

MSRB Rule G-15 provides confirmation, clearance, settlement and other uniform practice requirements with respect to transactions with customers. Rule G-15(a) requires that, at or before the completion of a transaction in municipal securities with or for the account of a customer, each broker, dealer or municipal securities dealer (collectively “dealer”) give or send to the customer “a written confirmation of the transaction” containing the information specified by the rule. Rule 15(d) provides additional uniform practice requirements for transactions executed with customers on a payment for securities received (“RVP”) or delivery against payment of securities sold (“DVP”) basis (collectively, “DVP/RVP”). In addition to the specific uniform practice requirements of this section, Rule G-15(d)(i)(c) expressly provides that dealers executing DVP/RVP transactions must comply with the requirements of section (a) of the rule pertaining to customer confirmations. Rule G-15(d) also requires dealers that transact with customers on a DVP/RVP basis to use the facilities of a Clearing Agency or Qualified Vendor, as defined in Rule G-15(d)(ii)(B), for automated confirmation and acknowledgement of the transaction.

Securities Exchange Act Rule 10b-10, on customer confirmations of non-municipal securities transactions, provides for confirmation requirements that are similar to Rule G-15(a). Several providers of automated confirmation and acknowledgement services have received no-action letters from the Securities and Exchange Commission (“SEC”) staff that allow their dealer clients to rely on the confirmations they produce to satisfy dealer confirmation delivery obligations to certain customers under SEC Rule 10b-10 where the disclosures customarily provided on the back of paper confirmations are provided electronically using a uniform resource locator (“URL”) link.¹ One of the service providers that received a no-action letter, as described above, permitting it to use URL links for its dealer clients, has requested an interpretation of Rule G-15(a) to allow dealers to rely on confirmations produced by this service provider to the same extent as dealers are allowed to use the confirmations produced by the service providers to comply with SEC Rule 10b-10.

¹ See, e.g., letter from Paula R. Jenson, Deputy Chief Counsel, SEC, to Norman Reed, General Counsel, Omgeo LLC (March 12, 2008).

In a 1994 Interpretive Notice, the MSRB recognized that the speed and efficiencies offered by electronic confirmation delivery are of benefit to the municipal securities industry.² Therefore, the MSRB has interpreted the requirement in Rule G-15(a) to provide a customer with a written confirmation to be satisfied by an electronic confirmation for DVP/RVP transactions sent by a Clearing Agency or Qualified Vendor, as defined in MSRB Rule G-15(d)(ii)(B), where disclosures customarily provided on the back of paper confirmations are provided electronically using a URL link when the following conditions are met: (i) the confirmation sent includes all of the information required by Rule G-15(a); and (ii) all of the requirements and conditions concerning the use of the electronic confirmation service expressed in applicable SEC no-action letters concerning SEC Rule 10b-10 continue to be met.

* * *

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was adopted by the MSRB at its July 17, 2008 meeting. Questions concerning this filing may be directed to Justin R. Pica, Director, Uniform Practice Policy, at 703-797-6716.

3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

The MSRB received an interpretive request concerning the written confirmation requirements of MSRB Rule G-15(a), on customer confirmations of transactions in municipal securities transactions, in which the MSRB was asked whether dealers could rely on a confirmation sent by a Clearing Agency or Qualified Vendor, as defined in MSRB Rule G-15(d)(ii)(B), where disclosures customarily provided on the back of paper confirmations are provided electronically using a URL link to satisfy their confirmation delivery obligations to customers under MSRB Rule G-15(a). The MSRB recognizes that the speed and efficiencies offered by electronic confirmation delivery are of benefit to the municipal securities industry. Therefore, the MSRB has interpreted the requirement in Rule G-15(a) to provide a customer with a written confirmation to be satisfied by an electronic confirmation for DVP/RVP transactions sent by a Clearing

² See Rule G-15 Interpretation - Notice Concerning Use of the OASYS Global Trade Confirmation System to Satisfy Rule G-15(a), June 6, 1994, MSRB Rulebook (January 1, 2009) at 138.

Agency or Qualified Vendor, as defined in MSRB Rule G-15(d)(ii)(B), where disclosures customarily provided on the back of paper confirmations are provided electronically using a URL link when the following conditions are met: (i) the confirmation sent includes all of the information required by Rule G-15(a); and (ii) all of the requirements and conditions concerning the use of the electronic confirmation service expressed in applicable SEC no-action letters concerning SEC Rule 10b-10 continue to be met.

(b) Statutory Basis

The MSRB believes that the proposed rule change is consistent with Section 15B(b)(2)(C) of the Securities Exchange Act of 1934 (the “Act”), which provides that the MSRB’s rules shall:

be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities, to remove impediments to and perfect the mechanism of a free and open market in municipal securities, and, in general, to protect investors and the public interest.

The MSRB believes that the proposed rule change is consistent with the Act because the speed and efficiencies offered by electronic confirmation delivery are of benefit to the municipal securities industry.

4. Self-Regulatory Organization’s Statement on Burden on Competition

The MSRB does not believe the proposed rule change will impose any burden on competition since it would apply equally to all brokers, dealers and municipal securities dealers.

5. Self-Regulatory Organization’s Statement on Comments Received on the Proposed Rule Change by Members, Participants, or Others.

Written comments were neither solicited nor received on the proposed rule change.

6. Extension of Time Period of Commission Action

The MSRB declines to consent to an extension of the time period specified in Section 19(b)(2) of the Act.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2).

The MSRB has designated the proposed rule change as constituting a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule of the MSRB under Section 19(b)(3)(A)(i) of the Act and Rule 19b-4(f)(1) thereunder,³ which renders the proposal effective upon receipt of this filing by the Commission.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Exhibits

1. Federal Register Notice

³ 15 U.S.C. 78s(b)(3)(A)(i) and 17 CFR 240.19b-4(f)(1).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(RELEASE NO. 34- ; File No. SR-MSRB-2009-14)

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Municipal Securities Rulemaking Board Consisting of An Interpretive Notice Regarding MSRB Rule G-15(a), on Customer Confirmations

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“the Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on September 15, 2009, the Municipal Securities Rulemaking Board (“Board” or “MSRB”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Board. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The MSRB has filed with the Commission a proposed rule change consisting of an interpretive notice regarding MSRB Rule G-15(a), on customer confirmations, concerning use of electronic confirmations produced by a clearing agency or qualified vendor to satisfy the requirements of Rule G-15(a) (referred to hereafter as “proposed rule change”). The text of the proposed rule change is available on the MSRB’s Website at www.msrb.org/msrb1/sec.asp, at the MSRB’s principal office, and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

¹ 15 U.S.C. 78s(b)(1).

² 18 C.F.R. 240.19b-4.

In its filing with the Commission, the MSRB included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Board has prepared summaries, set forth in Section A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The MSRB received an interpretive request concerning the written confirmation requirements of MSRB Rule G-15(a), on customer confirmations of transactions in municipal securities transactions, in which the MSRB was asked whether dealers could rely on a confirmation sent by a Clearing Agency or Qualified Vendor, as defined in MSRB Rule G-15(d)(ii)(B), where disclosures customarily provided on the back of paper confirmations are provided electronically using a URL link to satisfy their confirmation delivery obligations to customers under MSRB Rule G-15(a). The MSRB recognizes that the speed and efficiencies offered by electronic confirmation delivery are of benefit to the municipal securities industry. Therefore, the MSRB has interpreted the requirement in Rule G-15(a) to provide a customer with a written confirmation to be satisfied by an electronic confirmation for DVP/RVP transactions sent by a Clearing Agency or Qualified Vendor, as defined in MSRB Rule G-15(d)(ii)(B), where disclosures customarily provided on the back of paper confirmations are provided electronically using a URL link when the following conditions are met: (i) the confirmation sent includes all of the information required by Rule G-15(a); and (ii) all of the requirements and conditions concerning the use of the electronic confirmation service expressed in applicable SEC no-action letters concerning Rule 10b-10 continue to be met.

2. Statutory Basis

The MSRB believes that the proposed rule change is consistent with Section 15B(b)(2)(C) of the Securities Exchange Act of 1934 (the “Act”), which provides that the MSRB’s rules shall:

be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in municipal securities, to remove impediments to and perfect the mechanism of a free and open market in municipal securities, and, in general, to protect investors and the public interest.

The MSRB believes that the proposed rule change is consistent with the Act because the speed and efficiencies offered by electronic confirmation delivery are of benefit to the municipal securities industry.

B. Self-Regulatory Organization’s Statement on Burden on Competition

The MSRB does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act, since it would apply equally to all brokers, dealers and municipal securities dealers.

C. Self-Regulatory Organization’s Statement on Comments Received on the Proposed Rule Change by Members, Participants, or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The proposed rule change has become effective pursuant to Section 19(b)(3)(A)(i) of the Act³ and Rule 19b-4(f)(1)⁴ thereunder, in that the proposed rule change constitutes a stated

³ 15 U.S.C. 78s(b)(3)(A)(i).

policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule of the MSRB. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.⁵

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-MSRB-2009-14 on the subject line.

Paper comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-MSRB-2009-14. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the

⁴ 17 C.F.R 240.19b-4(f)(1).

⁵ See Section 19(b)(3)(C) of the Act, 15 U.S.C. 78s(b)(3)(C).

proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 am and 3:00 pm. Copies of such filing also will be available for inspection and copying at the MSRB's offices. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-MSRB-2009-14 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶

Elizabeth M. Murphy
Secretary

⁶ 17 C.F.R 200.30-3(a)(12).